



## ***AOT in Action***

### ***TOURISM WORKS FOR ARIZONA!***

*Issue 123 – August 28, 2006*

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

#### **A Message from the Director:**

Good morning.

Last Tuesday evening during the Educational Seminar for Tourism Organizations (ESTO) conference, the Arizona Office of Tourism was awarded the prestigious Mercury Award for international marketing from the Travel Industry Association of America (TIA). This was a wonderful accomplishment for Arizona to be recognized among our peers, and we are honored to have been chosen to receive this award. The Mercury Award is a national awards program that was started by the National Council of State Tourism Directors to recognize TIA members for excellence and creative accomplishment in state tourism marketing and promotion, and to showcase outstanding work and the continued development of truly imaginative and exciting destination marketing and promotion programs. AOT's winning project was the Grand Canyon IMAX Road Show in the United Kingdom, where nearly 8,000 consumers in six cities were given the opportunity to view the most watched IMAX film of all time in April 2005. AOT heeded Governor Napolitano's charge to "reclaim the Grand Canyon" and we felt that this program was a great way to spread the word about what an amazing destination Arizona truly is. I know that the IMAX Road Show would not have been as successful without the collaboration and cooperative efforts of members of the travel and tourism industry here in Arizona, and I want to thank everyone for their hard work and efforts. You can read more about the Mercury Awards on TIA's Web site, [www.tia.org](http://www.tia.org).

Have a great week.

*Margie R. Emmenau*

Margie A. Emmermann  
Director  
Arizona Office of Tourism

## AOT News Flash

### New Staff Joins AOT

Lois Enochs has joined the Arizona Office of Tourism as the new Executive Administrative Assistant. For the past five years, Lois has been self-employed, handling photographic art and custom picture framing. Prior to that, she was the Vice President/CFO of ICP, a German computer peripherals corporation, and before coming to Phoenix, she was in Texas for seventeen years where she worked as a Business Operations Manager and a Corporate Office Manager. At AOT, Lois will assist the director, deputy director and assistant deputy director and handle all executive administrative duties for the agency. Lois can be reached at [lenochs@azot.gov](mailto:lenochs@azot.gov) or (602) 364-3717.

## Trippin' with AOT

### Trade Shows and Sales Missions -- Schedule Updated

The Arizona Office of Tourism's business-to-business Web site, [www.azot.gov](http://www.azot.gov), includes a marketing plan highlighting all of the trade shows and sales missions attended by the Travel Industry Marketing and Media Relations Divisions as well as our international representatives. This marketing plan has recently been updated and it can be found under Programs, Trade Shows and Sales Missions. The list of cooperative opportunities available at these trade shows and sales missions has also been updated and can be found under Programs, Cooperative Opportunities, Trade Shows and Sales Missions. Finally, for updated international marketing plans and visitation statistics, click on Programs, International Marketing. If you have any questions, please contact Kristy McKinnon at [kmckinnon@azot.gov](mailto:kmckinnon@azot.gov) for more information.

## Industry News

### Cultural Tourism Heats Up

Cultural tourism continues to be a hot button for destinations eager to attract these more affluent travelers. Figures from the Travel Industry Association of America show:

- Cultural travelers tend to stay longer than average visitors, 5.1 nights instead of 3-4.
- They spend more money, \$631 per trip, than average travelers who shell out \$457.
- They're more likely to spend a minimum of \$1,000 per trip when they travel.

"They are likely to out to eat and shop. They are likely to spend more money and they're likely to stay longer," Tracey Wickersham, director of cultural tourism for Seattle's Convention and Visitors Bureau, told the Puget Sound Business Journal. Destinations are coming up with creative ways to tap into this market. In Seattle, for example, the Mayflower Park Hotel has been offering a September package in conjunction with an exhibit of the Dead Sea Scrolls at the Pacific Science Center. Cultural destinations have long been popular but in the past decade, more CVB's have targeted this type of travel. A key element for successfully drawing more tourists is to set up calendars well in advance of special events that draw culturally inclined visitors, according to CVB officials. ([www.TravelMole.com](http://www.TravelMole.com))

## **Orlando to Launch New \$25 Million Ad Campaign**

To combat slowing visitor growth, tourism officials in Orlando are launching their biggest marketing effort to date: a \$25 million push that will put Orlando on national television for the first time, and--they hope--re-energize the city like Las Vegas' "What Happens Here Stays Here" campaign. Orlando still draws ever-increasing visitors--last year a 3.3 percent bump to just over 49 million. But in a vast initiative to gauge public opinion on the destination, and focusing on the "American couples with children outside Florida" demographic, just 27 percent of respondents said they were "very familiar" with Orlando. Those least likely to visit said the area was too crowded, expensive and commercialized and didn't provide a relaxing getaway. Cruises, Mexico and the Caribbean, New York and, perhaps surprisingly, Las Vegas emerged as the biggest competitors. Details on Orlando's campaign will be announced in December. (AP; P age 3C, Fort Lauderdale Sun-Sentinel)

## **International Travelers Returning to U.S.**

Higher-spending International travelers to the US are making significant gains and are at their highest level in a decade, according to new research. "During 2004 and 2005, international travelers to the US increased by 20.3 percent, the highest two-year increase since 1996," says a study by PricewaterhouseCoopers LLP. The research company called it a "robust gain." Lingering travel concerns, a global economic slowdown and stricter visa immigration procedures has hampered such travel, however, the company said. But international travel to the US had other factors going for it:

- Global economic performance has accelerated.
- The dollar remains weak relative to most currencies. It's forecast to continue modest declines through next year, which will continue to encourage international travelers.
- Marketing activities by the Department of Commerce has increased awareness and developed a more positive image of the US as a tourist destination.

Said Bjorn Hanson, a principal with the Hospitality & Leisure practice at PricewaterhouseCoopers, LLP: "International travelers have longer lengths of stay, pay higher room rates and spend more in other hotel departments including restaurants,

business centers, retail outlets, communication, laundry and valet." A growing international market is particularly attractive to the lodging industry, which is seeing a surge in demand. As recently as the year 2000, PricewaterhouseCoopers said, international room nights accounted for 12.8 percent of the total Lodging demand. That plummeted to only 9.5 percent in 2003. But as of year-end, 2005, the share of international guest room nights had increased to 10.3 percent of total US demand. ([www.TravelMole.com](http://www.TravelMole.com))

## **Survey: What Hotel Guests Don't Want**

A new survey finds that while hotel chains have been spending to enhance their products, guests would rather have them take away what they do not want--that is, get rid of the "hassles and smoke." Hotels have been increasing room rates to regain lost profits since 2000 and to cover costs associated with upgraded amenities meant to increase guest satisfaction and keep up with competition. However, the spring 2006 Hotel Amenities Monitor," a study by D.K. Shifflet & Associates, finds that the "copy cat" approach on everything from high thread count linens, comforters and piles of pillows, to even fancier bath soaps and shampoos, has led to significant costs, which must be passed on to guests. These cost increases may drive customers to stay a notch below where they want to be in order to make the hotel stay cost-effective. "In these troubled times with dramatic bad news daily, it appears that just having to deal with less hassle and unwelcome smoke and smells is more satisfying than ever-better sheets and soaps," said Douglas Shifflet, president and CEO of DKS&A. Details at 703-536-0933. (Special to Travel Advance)

## **New Travel Sites Seek to Carve Niches**

While Web sites such as Expedia, Inc. and Sabre Holdings Corp.'s Travelocity Inc. are pulling in the bulk of online travel sales, venture capitalists are placing their newest bets on niche markets such as luxury vacations and short-term rental homes. A boatload of venture capital has sailed into the online travel market recently, with start-ups including LeisureLink Inc., Viator Inc., Luxury Link LLC and Gusto LLC raising more than \$40 million this summer alone. Austin Ventures led the largest effort with HomeAway Inc., a roll-up of six vacation rental Web sites. While there are signs that the online travel market is maturing and growth may slow, it continues to expand at a good clip. This year, more than 35 million U.S. households are expected to spend more than \$74 billion on leisure travel online, up from \$63.3 billion in 2005, according to Forrester Research Inc. (Page D5, Wall Street Journal)

## **Scottsdale Scores Second PGA Event in 2007**

Scottsdale will be home to a second PGA Tour event next year, the Thunderbirds announced at a Wednesday press conference. Fry's Electronics Open will be played at Grayhawk Golf Club's Raptor Course Oct. 15 to 21 and feature a full field of 132 professional golfers, who will compete for a \$900,000 first prize. The total purse is \$5 million. The Fry's Electronics Open will be held in Scottsdale for only one year, however, before moving to its permanent home at the Institute Golf Course in Morgan Hill, Calif.

The course will be undergoing construction, and will not be available to host the 2007 event. Ticket information will be announced at a later date by the tournament host Thunderbirds. PGA Tour pros have until Oct. 12 to commit to play in the tournament. (Phoenix Business Journal, [www.bizjournals.com/phoenix](http://www.bizjournals.com/phoenix))

## **More will Hit the Road, Fewer will Fly this Labor Day**

With fuel prices slipping down to around \$2.90 per gallon, AAA expects no let up in travel over the upcoming Labor Day holiday weekend. AAA predicts that 35.2 million Americans will travel 50 miles or more from home this holiday, a 1.2 percent increase from the 34.8 million who traveled last year. Some 29.6 million of those travelers are expected to go by motor vehicle, just over the 29.1 million who drove a year ago. Another 3.9 million plan to travel by plane, down from the 4.9 million that flew last Labor Day weekend. Another 1.6 million vacationers will go by train, bus or other mode of transportation, down from about 1.7 million a year ago. Holiday auto travelers will find gasoline prices nationwide currently \$2.92 a gallon for self-serve regular--down almost 7 cents from a month ago and about 32 cents higher than a year ago. (Special to Travel Advance; [www.ChicagoTribune.com](http://www.ChicagoTribune.com); Page 7D, USA Today)

---

\*\*\*If you do not wish to receive this and other e-mail communications from the Arizona Office of Tourism, please reply to this e-mail with the message "Unsubscribe AOT in Action."

If someone has passed this along to you and you wish to subscribe, just send a reply with "subscribe" in the subject line and include your name, organization and e-mail address.

If you have any comments on how to make this newsletter better or more informative, please hit reply and type "comment" in the subject line.

Past issues of the newsletter are available online at [www.azot.gov](http://www.azot.gov).